



California Energy Commission

Nonresidential Building Energy Use Disclosure Program

The California Energy Commission adopted California Code of Regulations, Title 20, Sections 1680-1685, the Nonresidential Building Energy Use Disclosure Program. Enforcement of these regulations will begin January 1, 2014.

The purpose of the program is to help raise awareness and encourage building owners to find ways to increase energy efficiency and reduce consumption of energy in existing nonresidential buildings across the state of California. This document provides information about the U.S. Environmental Protection Agency ENERGY STAR Portfolio Manager® benchmarking tool and how to successfully comply with the program requirements. By increasing awareness of energy use and providing incentives to make existing nonresidential buildings more energy efficient, the program will help California meet its energy and climate change goals.

Background

Assembly Bill 1103 (Saldaña, Chapter 533, Statutes 2007) requires a nonresidential building owner or operator throughout the State of California to benchmark a building's energy use in advance of the sale, lease, financing or refinancing of the entire building. For this purpose, benchmarking is the process in which a building's energy use is compared to the ENERGY STAR standards. AB 531 (Saldaña, Chapter 323, Statutes 2009) requires the Energy Commission to establish a schedule by which an owner or operator is required to meet the requirements of AB 1103 (Public Resources Code Section 25402.10).

ENERGY STAR Portfolio Manager®

The program requires a nonresidential building owner to benchmark using the Portfolio Manager. The Portfolio Manager website is an interactive energy management tool that allows a building manager to track and assess the energy consumption of one or more buildings in a secure online environment. Portfolio Manager is free to use and helps identify under-performing buildings, verify efficiency improvements, set investment priorities, and receive ENERGY STAR recognition for superior energy performance. The U.S. Environmental Protection Agency states that energy efficiency in existing buildings is the "fastest, cheapest, and largest untapped solution for saving energy, saving money, and preventing greenhouse gas emissions."

Important Program Requirements

A building owner or operator is required to benchmark and disclose a building's energy use if the answer to ALL three of following questions is "yes":

1. Is your ENTIRE building being offered for sale, lease, finance or refinance?
2. Does your building meet the following size and compliance schedule?
 - On January 1, 2014, a building 10,000 square feet or larger is required to comply with the program.
 - On July 1, 2014, a building 5,000 square feet or larger is required to comply with the program.
 - Any building smaller than 5,000 square feet is EXEMPT from the program requirements.

3. Is your building classified as one of the following occupancy types?

An occupancy type is based on the occupancy permit as issued by the owner's local building department. The following occupancy types as defined in the California Building Code (Title 24, Part 1) meet the program requirements:

- A (Assembly), B (Business), E (Education) I-1 and I-2 (Institutional), M (Mercantile), R-1 (Transient – Residential), S (Storage), and U (Parking Garage).
- All other occupancy types are exempted from the program requirements. Exempt occupancy types are F (Factory and Industrial), H (High Hazard), I-3 and I-4 (Institutional), R-2, 2.1, 3, 3.1, 4 (Residential), and L (Laboratory).

Program Compliance Procedures

If you answered "yes" to all three questions above, you must do the following in advance of the sale, lease, financing, or refinancing of the ENTIRE building:

1. Go to the ENERGY STAR Portfolio Manager® website and sign up to create a new account at <https://portfoliomanager.energystar.gov>.
2. Contact your utility to confirm their procedures for providing the energy use data.
3. Benchmark the building's energy use via Portfolio Manager at least 30 days prior to a transaction.
 - a. Identify all sources of energy use data (electricity, natural gas, propane, or other) for the entire building.
 - b. Request all identified utilities to upload the latest 12 months of energy use data into the building owner's account. Utilities may also provide a spreadsheet containing aggregated energy use data that can be manually uploaded by the building owner.
4. Produce a Data Verification Checklist report in Portfolio Manager.
5. Disclose the Data Verification Checklist to a prospective buyer, lessee, or lender at least 24 hours prior to a signature agreement.
6. Submit the Data Verification Checklist to the California Energy Commission at AB1103report@energy.ca.gov within 30 days of producing the report.

Upon a building owner's request, utilities serving the building must release within 30 days the most recent 12 months of the entire building's energy use data to an owner's Portfolio Manager account.

Missing Data Protocols

Section 1684(e) allows a building owner to substitute approximate energy use data when the actual energy use data is not available. Many sources of energy use data can be accepted. If the Data Verification Checklist report is produced using either approximate data or ENERGY STAR Portfolio Manager default values, building owners must include a signed statement revealing which Missing Data Protocols were used. The Missing Data Protocols are covered in greater depth at the Energy Commission's Frequently Asked Questions webpage at www.energy.ca.gov/ab1103.

Assistance from the Energy Commission

The Energy Commission is committed to help building owners successfully participate in the Nonresidential Building Energy Use Disclosure Program.

- **Questions:** If you have a question or a comment, want to attend a free training workshop on this program's implementation and enforcement, or want to know how to obtain energy use data, please contact the Energy Commission at ab1103@energy.ca.gov.
- **FAQs:** The statutes and regulations, as well as Frequently Asked Questions and other useful links, are available at the Energy Commission webpage at www.energy.ca.gov/ab1103.
- **Training Online:** A free short training is available at ENERGY STAR. Log on to the website and open an account at <https://portfoliomanager.energystar.gov>.

